

# Expenditures

In accordance with the California Used Oil Recycling Enhancement Act, oil funds can be used for any allowable expense that provides an opportunity for the collection of used oil and filters. Block Grant programs must contain the key components of used oil and filter collection, publicity and education, and program evaluation.

Since January 2002, stormwater mitigation costs are also eligible Block Grant expenses. Stormwater mitigation expenses may not exceed 50% of your Block Grant award (refer to the Stormwater section below).

Please note that when using grant funds, Public Contract Code § 12200 through 12250 requires that grantees buy items meeting specific recycled content percentages, and requires reporting of the recycled content of those items for the following product categories (refer to Publicity and Education Chapter 6 for more detail):

Paper Products	Printing & Writing Paper	Plastic Products
Compost & Co-	Glass Products	Lubricating Oils
Compost	Solvents	Tire-Derived Products
Paint	Steel Products	
Tires		

## Eligible Expenditures Without Pre-Approval

The expenditures listed below DO NOT have to be pre-approved by your Grant Manager if they are related to the establishment, maintenance, or enhancement of used oil and filter collection programs.

- Used oil collection
- Used oil filter collection
- Curbside oil collection
- Door-to-door oil collection
- **Publicity and education materials** (see below for exceptions)
- Program evaluation
- Used oil collection through Household Hazardous Waste (HHW) Programs including transportation costs of used oil
- Construction of Permanent HHW Collection Facility (PHHWCF) and Antifreeze, Battery, Oil, and Paint Facility (ABOP) where used oil is accepted – permanent features, oil related equipment and supplies eligible
- Set up and operation of temporary facilities for one-day or multi-day HHW collection events where used oil will be accepted
- Agricultural oil collection projects

**Eligible  
Expenditure  
Without Pre-  
Approval  
(continued)**

- Marina oil collection projects
- Airport oil collection projects
- Certified and non-certified used oil collection center support
- Cost differential between re-refined and virgin oil
- Purchase and distribution of used oil containers
- Personnel costs for used oil/filter recycling activities
- Re-refined oil promotion
- Load checking projects
- Training costs directly related to used oil/filter recycling activities
- Indirect or Overhead Costs that do not exceed 10% of the grant award amount (Refer to Chapter 9, Audit Section for guidelines and limitations)
- Profit to contractors and subcontracts for services and products when Grantees follow the competitive bidding process or their local purchasing laws and regulations.

**Expenditures  
Requiring Pre-  
Approval**

Expenditures associated with the tasks or products listed below must be approved in writing by your Grant Manager prior to purchase or production. Please retain all approvals for audit purposes. Items not pre-approved MAY NOT be eligible for expenditure.

Allow at least five (5) working days for approval of the following items:

- Premiums if the per item cost exceeds six dollars (\$6) (not including sales tax)
- All television and video scripts
- Stormwater Mitigation (refer to section below for details)
- School education (refer to the Publicity and Education Chapter)
- Equipment, vehicles, and trailers
- Computer equipment and software
- **Travel Expenses** (refer to the Travel Expense Form)
- Financial incentives (includes: sponsorships, stipends, etc.)
- Planning, background, or feasibility studies.

**Stormwater  
Mitigation**

Since January 2002, some stormwater mitigation expenditures are eligible for Block Grant funding. Stormwater mitigation is defined in Public Resources Code 48618.4 to include "...the prevention of stormwater pollution from used oil and oil byproducts and the reduction or alleviation of the effect of stormwater pollution from used oil and oil byproducts by means of action taken on public property. Mitigation includes the installation of devices and implementation of practices that prevent used oil and oil byproducts from causing stormwater pollution. Mitigation does not include the cleanup or restoration of polluted areas".

## **Stormwater Mitigation** (continued)

- **Stormwater expenses may not exceed 50% of your Block Grant award.**
- All related stormwater expenses such as personnel, publicity and education, stenciling, and stormwater filter purchase/maintenance is counted towards the 50% cap.
- To qualify for Block Grant funding, each jurisdiction must self-certify that they have a stormwater mitigation program that has been approved by their local Regional Water Quality Control Board.
- All stormwater expenses must be accounted and reported as a separate category on the Expenditure Itemization Summary.

## **Ineligible Expenditures**

Any expenditure that does not support the implementation of used oil collection programs is ineligible for Grant funding. The activities, products, or expenditures listed below are specifically identified as ineligible. If you have any questions regarding ineligible costs contact your Grant Manager. The ineligible expenditures include, but are not limited to:

- Costs incurred prior to July 1, 2003 and after June 30, 2006
- Purchasing or leasing of land
- Costs currently covered by another Board loan or grant
- Remediation (any cleanup or restoration of polluted areas)
- Enforcement activities
- Profit or mark-up by the grantee
- Preparation of HHW elements
- Out-of-state travel
- Overtime costs (except for local government staffing when law or labor contract requires overtime compensation)
- Any food or beverages (e.g., as part of meetings, workshops, or events)
- Cell phones, pagers, and Palm Pilots
- Items that contribute to the HHW waste stream
- Transportation & disposal of non-oil HHW from any facility or event
- Equipment, materials or supplies at PHHWCF or ABOP not directly related to the collection of used oil and filters
- Any costs not consistent with local, state, or federal guidelines and regulations.
- Travel expenditures that exceed the state rate

## **Forms For This Chapter**

### **Travel Expense Form**

<http://www.ciwmb.ca.gov/Grants/Forms/travel.xls>